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June 11, 2002

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Honorable Felix J. Boudreaux
Commissioner of Conservation
State of Louisiana
Post Office Box 94275
Baton Rouge, Louisiana 70804-9275

Re: HEARING APPLICATION
Hosston Formation, Reservoir A
Cotton Valley Formation, Reservoir A
Lower Cotton Valley Formation, Reservoir A
Elm Grove Field
Bossier Parish, Louisiana
Our File No. 430071.0004

Dear Sir:

On behalf of QUESTAR EXPLORATION AND PRODUCTION COMPANY, application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the Hosston Formation, Cotton Valley Formation and Lower Cotton Valley Formation, Reservoirs A, in the Elm Grove Field, Bossier Parish, Louisiana:

1. To permit the applicant to drill, designate and utilize the Questar Exploration and Production Company - Mims et al 31 No. 3 Well, at the location shown on the plat attached hereto, and to designate said well as a fourth alternate unit well for CV RA SU4, a seventh alternate unit well for HOSS RA SU4 and as a unit well for LCV RA SUU, in exception to the well spacing provisions of Office of Conservation Order No. 361-B, effective October 1, 1973, Order No. 361-A-1, effective October 1, 1972, and Order No. 361-E, effective July 16, 1996.
2. To permit the applicant to drill, designate and utilize the Questar Exploration and Production Company - Mims et al 31 No. 4-Alt. Well, at the location shown on the plat attached hereto, and to designate said well as an eighth alternate unit well for HOSS RA SU4, a fifth alternate unit well for CV RA SU4, and a first alternate unit

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well for LCV RA SUU, in exception to the well spacing provisions of Office of Conservation Order No. 361-B, effective October 1, 1973, Order No. 361-A-1, effective October 1, 1972, and Order No. 361-E, effective July 16, 1996.

3. To explicitly find that the abovesaid wells are necessary to drain a portion of the Hosston Formation, Cotton Valley Formation, and Lower Cotton Valley Formation, Reservoirs A, in the Elm Grove Field underlying CV RA SU4, HOSS RA SU4 and LCV RA SUU, respectively, which cannot be efficiently and economically drained by any existing well in such units.
4. To authorize the downhole combination of hydrocarbons produced from the Hosston Formation, Cotton Valley Formation and Lower Cotton Valley Formation, Reservoirs A, in the wellbore of any well drilled on HOSS RA SU4, CV RA SU4 and LCV RA SUU, in the Elm Grove Field, Bossier Parish, Louisiana.
5. To explicitly find that said downhole combination of production is in the interest of conservation, will prevent waste and will maximize the efficient and economic recovery of gas and condensate from such formations and reservoirs.
6. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Hosston Formation, Reservoir A, in the Elm Grove Field, Caddo and Bossier Parishes, Louisiana, was fully defined in Office of Conservation Order No. 361-A-1, effective October 1, 1972, and was further defined in subsequent Orders of the 361-A Series.

The Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Caddo and Bossier Parishes, Louisiana, was fully defined in Office of Conservation Order No. 361-B, effective October 1, 1973, and was further defined in subsequent Orders of the 361-B Series.

The Lower Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Bossier Parish, Louisiana was fully defined in Office of Conservation Order No. 361-E, effective July 16, 1996.

The Rules of Procedure of the Commissioner of Conservation pertaining to the Pre-Application Notice requirements, are not applicable to the hearing requested herein, which requires legal notice of only ten (10) days.

Pertinent data concerning the intended application will be made available for inspection at the offices of the undersigned. Any person wishing to inspect such data should call the undersigned at (318) 221-6858 during normal business hours or write the undersigned at the above address in order

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to arrange a date and time for such inspection. A copy of any such pertinent data can be obtained at the expense of the requesting party.

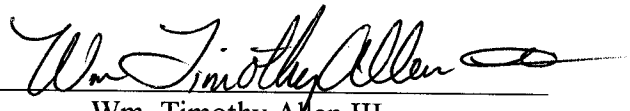
A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plat, is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Rules of Procedure.

A check in the amount of \$2,100.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

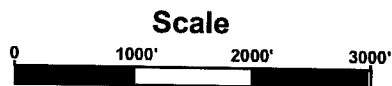
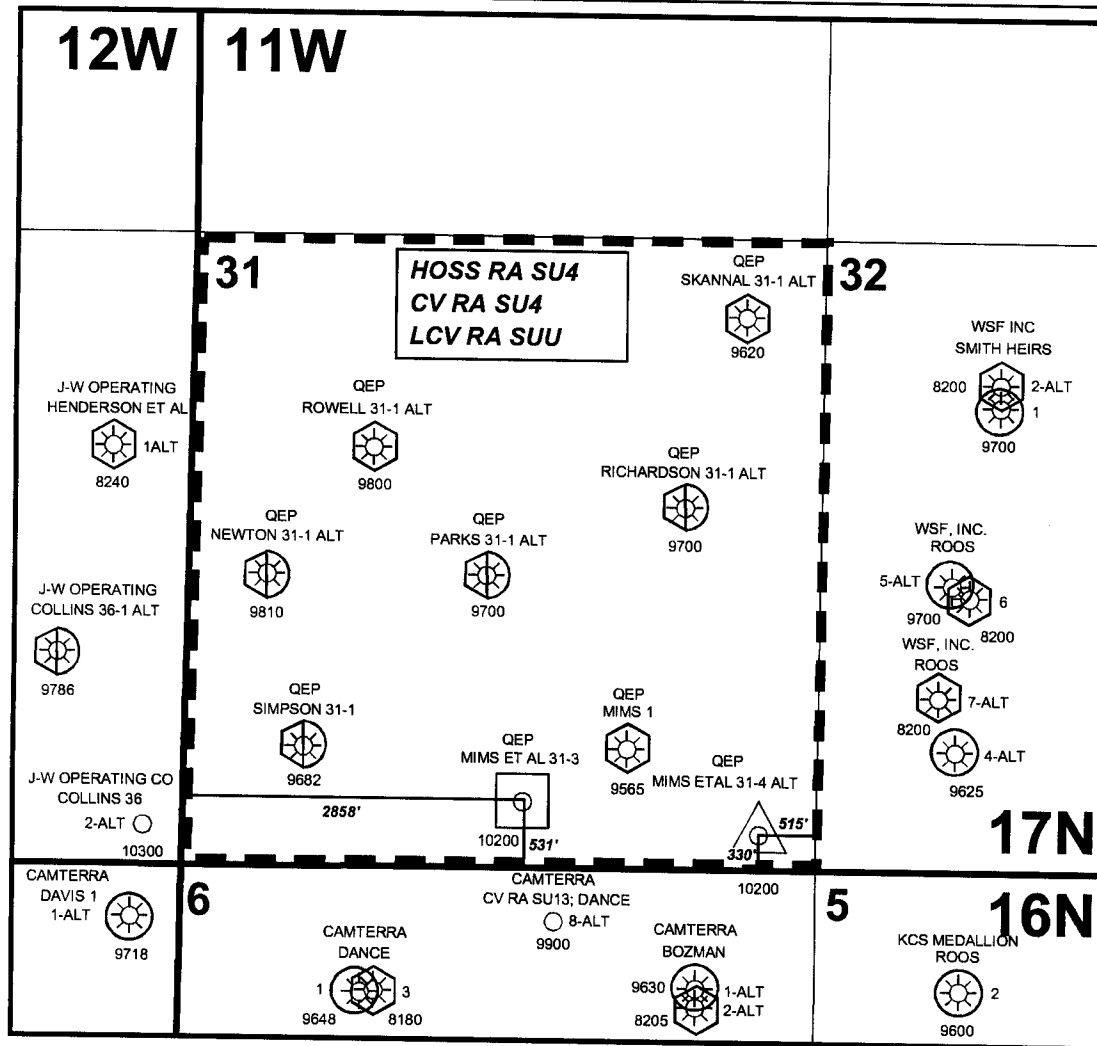
By: 
Wm. Timothy Allen III

Attorneys for Questar Exploration and Production Company

WTAIII/cmd
Enclosures

cc: Mr. James C. Broussard, Shreveport District Manager,
Office of Conservation (w/enclosures)

Interested Owners, Represented Parties
and Interested Parties (w/copy of plat only)



Mims et al 31-3, Proposed unit well for LCV RA SUU; 4th alternate unit well for CV RA SU4; 7th alternate well for HOSS RA SU4



Mims et al 31-4 Alt, Proposed 1st alternate unit well for LCV RA SUU; 5th alternate unit well for CV RA SU4; 8th alternate well for HOSS RA SU4

Legend



Hosston RA Production



Cotton Valley RA Production



Hosston & Cotton Valley RA Production

Questar Exploration and Production Company

Elm Grove Field

Bossier Parish, LA

31-T17N-R11W